1 (SPACE BELOW PROVIDED FOR FILING STAMP ONLY) Law Offices **FLYNN & STILLMAN** 224 Birmingham Drive, Suite 1A4 2 Cardiff, California 92007 Tel. (888) 235-4279 3 Fax (888) 235-4279 PHILIP H. STILLMAN, Bar # 152861 4 Attorneys for plaintiff, PENTALPHA MACAU COMMERCIAL OFFSHORE LIMITED 5 6 7 **UNITED STATES DISTRICT COURT** 8 FOR THE NORTHERN DISTRICT OF CALIFORNIA 9 SAN FRANCISCO DIVISION 10 PENTALPHA MACAU COMMERCIAL CASE NO.: 03-5914 MMC (EDL) OFFSHORE LIMITED, a Macau, PRC 11 corporation, 12 Plaintiff, STIPULATION AND ORDER DISMISSING COMPLAINT AND THIRD AMENDED 13 COUNTERCLAIM WITH PREJUDICE VS. PURSUANT TO SETTLEMENT 14 DAMODER REDDY, an individual; and DOES 1 through 10 inclusive, 15 Defendants. 16 DAMODER REDDY, an individual, 17 Counterclaimant, 18 VS. 19 PENTALPHA MACAU COMMERCIAL 20 OFFSHORE LIMITED, a Macau, PRC Hon. Maxine M. Chesney corporation, et al. 21 Counterdefendants 22 23 24 25 26 27

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Plaintiff and counterdefendant Pentalpha Macau Commercial Offshore Limited and defendant 1 and counterclaimant Damoder Reddy hereby present the following stipulation to the Court. 2 WHEREAS, the parties have entered into and executed a written settlement resolving this case 3 in its entirety; 4 5 WHEREAS, counsel for Reddy, Stanley Hilton, has the settlement amount in his Client Trust account to be paid within five business days of the filing of this Stipulation for Dismissal, 6 7 NOW THEREFORE, the parties hereby stipulate as follows: 8 1. The First Amended Complaint and the Third Amended Counterclaim shall be 9 dismissed with prejudice as to all parties. Each party shall bear its own costs and attorney's fees. 2. 10 Respectfully Submitted, 11 12 **FLYNN& STILLMAN** 13 Dated: January 12, 2006 14 Philip H. Stillman, Esq. Attorneys for PENTALPHA MACAU COMMERCIAL 15 OFFSHORE LIMITED and GARY RHEA 16 LAW OFFICES OF STANLEY HILTON 17 /s/ Stanley G. Hilton 18 Dated: January 12, 2006 By: 19 Stanley G. Hilton, Esq. Attorneys for DAMODER REDDY 20 IT IS SO ORDERED. 21 Dated: January 23, 2006 22 23 24 25 26 27 28